

# THE TRANSPORTATION LINK



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Director of the  
Office of Small and  
Disadvantaged  
Business Utilization

## Updated Certifications Lead to Marketing Opportunities at DOT

*The Department of Transportation (DOT) wants disadvantaged businesses to update their certifications and win federal contracts*

**T**he summer has come to a close and at the Department of Transportation we are starting to prepare for the upcoming fiscal year 2000, which begins October 1.

We recognize that discussions on certification programs can get confusing. It can be a challenge to keep the requirements and benefits of each clear. This month our feature article outlines the primary certification programs that you should be familiar with and provides you with contact information for each.

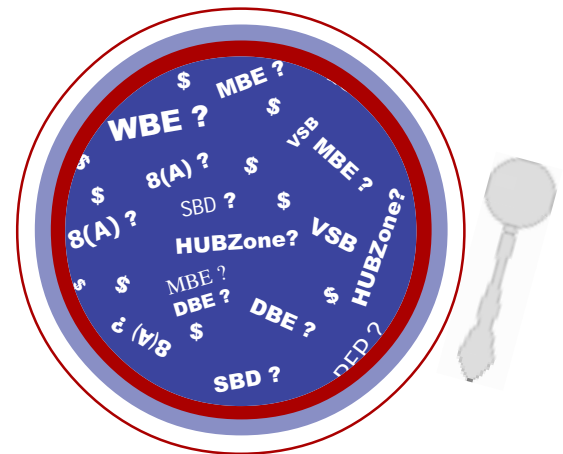
As the Year 2000 (Y2K) gets ever closer, I want to stress how important it is for small businesses to learn about the Y2K problem and ways to make themselves Y2K compliant. On the OSDBU web site the Y2K logo will take you to a comprehensive resource page to help you.

September 15 to October 15 marks the recognition of Hispanic American Month. Let us take this time to celebrate the unique contributions of the Hispanic culture in our American way of life.

**R**ecently you have been hearing a lot about the new Final Rule for the U.S. Department of Transportation's (DOT) Disadvantaged Business Enterprise (DBE) Program. The DBE Program applies to DOT funded projects at the state and local level.\*

You should also be aware that on the federal procurement side, the Small Business Administration (SBA) has other certifications programs that support small and disadvantaged businesses.

October 1, 1999 marks the beginning of the next fiscal year for the federal government. This is a good time to review these programs and check that your firm's small business certifications are in order so they can assist in marketing your goods and services to DOT.



## DOT's Disadvantaged Business Enterprise (DBE) Program

The Department of Transportation distributes between \$18 to over \$22 billion annually for highway, transit and airport improvement projects across the nation.

To ensure that all Americans have a fair chance to participate in these transportation contracts, Congress enacted the first Disadvantaged Business Enterprise (DBE) statutory provision in 1983. In 1987, Congress reauthorized the legislation. Among other changes, the program was extended to airports and women were added to the groups presumed to be disadvantaged. The program was continued in 1991 with the Intermodal Surface Transportation Efficiency Act (ISTEA) and then again in 1998 with the Transportation Equity Act for the 21<sup>st</sup> (TEA-21) Century.

\* State and local governments may have other types of certifications with different requirements.

*Continued on next page*

Primarily three major DOT operating administrations are involved in the DBE program: the Federal Highway Administration, Federal Aviation Administration and Federal Transit Administration.

The DOT DBE program is carried out by state and local transportation agencies under the rules and guidelines in the Code of Federal Regulations Title 49 part 26.

DBEs are certified by the primary recipients of federal transportation assistance, i.e., state and local transportation agencies. These recipients establish goals for the participation of disadvantaged entrepreneurs and certify the eligibility of DBE firms to participate in their DOT-assisted contracts.

Unlike the SBA programs, DBE firms are subject to field reviews.

They also must comply with state and local procurement rules and regulations.

To learn more about the DBE program visit the OSDBU web site at <http://osdbuweb.dot.gov/programs/dbe/dbe.htm> Information on certification can be received from the DBE certification officers listed on this same page.

### Small Disadvantaged Business (SDB) Program

Disadvantaged business development programs of the SBA are intended to provide support for small businesses so they can grow and be successful in the long term.

One of the new business assistance initiatives administered by the SBA is the Small Disadvantaged Business (SDB) Certification Program. This certification pertains specifically to federal procurement.

Beginning October 1, 1999, contractors and subcontractors will be required to obtain formal SDB certification. Until then, SDBs involved with subcontracting can self-certify their status to the prime contractors.

When the SBA certifies a business as SDB qualified, and the firm is in one of 55 industrial classifications, that business immediately becomes eligible for special bidding advantages.

Moreover, they substantially increase their subcontracting opportunities with larger Prime Contractors who accumulate *evaluation credits* by 'subbing' out to qualified SDBs.

SDB Certification could mean a potential *price evaluation credit* of up to 10 percent for a firm bidding on federal contracts in an industry cited by the Department of Commerce as still suffering from the effects of discrimination. (To see these targeted industries, go to: <http://osdbuweb.dot.gov/translink/sept98/index2.htm#TOC2>)

If you can answer the following questions in the affirmative, you may be eligible for certification as a SDB by the SBA.

- ① Are you Black American; Hispanic American; Native American; Asian Pacific American, or Subcontinent Asian American?
- ② If you are not one of the above,

can you show a *preponderance of evidence* that you are socially disadvantaged?

- ③ Do you have a net worth of less than \$750 thousand (not counting the value of your business or home)?
- ④ Does your business meet applicable size-standards for your industry?

To assist in the certification process



SBA has selected more than 90 private certifiers across the country. These private certifiers are permitted to charge for their services and applicants are encouraged to shop around for the best combination of service and price.

Small businesses interested in securing SDB certification can obtain an application and other information online at <http://www.sba.gov/sdb> or by calling toll-free 1-800-558-0884.

### 8(a) Business Development Program

SBA's 8(a) Business Development Program features a wide array of assistance benefits to socially and economically disadvantaged firms.

This program helps companies gain access to management expertise, technical assistance and capital. Unlike the SBD program, 8(a) applicants must generally be in business for at least two years before applying.

The requirements to enroll in the SBA's 8(a) Program are similar to those for SDBs with the exception being Question # 3. The 8(a) Program requires an applicant's personal net worth to be less than \$250 thousand (excluding his or her ownership interest in the applicant firm





and the equity in his or her personal residence). Once a firm has been accepted into the SBA's 8(a) program, they are automatically qualified for all SDB benefits.

The 8(a) program provides a much more comprehensive array of business development services than the SDB program. That is why it's a little tougher to get into and it has more reporting requirements.

In addition, 8(a) program participants have business opportunity specialists assigned to them for helping their firms evolve into economically viable business entities.

8(a) businesses also are eligible to participate in SBA's Mentor-Protégé program. This program allows small businesses to form potentially lucrative private sector relationships with successful businesses that could provide joint-venture opportunities to raise capital, win large contracts, and pick up valuable technical and managerial assistance.

Good standing in this SBA administered program may lead to other forms of federal assistance.

If you qualify as a small disadvantaged business and are a federal direct or subcontractor, you should get SBA certification as quickly as possible. Even if you do not see an immediate need, there will be a point in time when all firms that want to present themselves as SDB's must prove this with a certification.

To learn more about SBA's 8(a) Program, and how to apply on-line, visit the SBA web site at <http://www.sba.gov/med/>

If your firm is a federal prime contractor and or sub-contractor and you qualify for the 8(a) program, you should consider getting your 8(a) certification as quickly as possible so you can present your firm as an SDB. If you want to present your firm as an SDB but you do not qualify for 8(a) program participation or you do not feel you have an immediate need for the business development assistance offered partici-

pants in the 8(a) program, you should apply for SDB certification directly.

## Very Small Business Set-Aside Pilot Program (VSB)

The Very Small Business Set-Aside Pilot Program (VSB) was implemented in September 1998. To help the smallest businesses get a "foot in the door" of the Federal Procurement market, this program focuses on businesses that have 15 or fewer employees together with an average annual revenue that does not exceed \$1 million.

Federal contracts ranging in size from \$2,500 and \$50,000 must be set aside for very small businesses if:

- The contract will be awarded by a government buying office located within one of 10 designated pilot areas; and

- The contract will be performed in one of the 10 areas included in the pilot; and

- There is a reasonable expectation of obtaining competitive bids from two or more responsible very small businesses that are headquartered in that same geographic region.

To learn more about this program and to see a listing of the designated pilot areas, visit the SBA web site at <http://www.sba.gov/GC/vsbqa.html>

## HUBZone Eligibility

The HUBZone Empowerment Contracting program provides federal contracting opportunities for qualified small businesses located in distressed areas.

Fostering the growth of these federal contractors as viable businesses for the long term helps to empower communities, create jobs, and attract private investment.

The HUBZone Program was enacted into law as part of the Small Business Reauthorization Act of 1997 and is administered by the SBA. The program encourages economic development in historically underutilized business zones (HUBZones) and through the establishment of preferences.







*Continued from page 3*



If current procurement patterns hold, the federal government will be earmarking approximately 6 billion dollars in contract awards for HUBZone small businesses within the next five years!

Here are the eligibility questions to ask yourself for participating in the HUBZone Empowerment Contracting Program:

- ❶ Is your firm a small business?
- ❷ Is your firm's principal office located within a designated HUBZone area?
- ❸ Is the firm owned and controlled by one or more U.S. Citizens?
- ❹ Do at least 35 percent of the firm's employees reside in a HUBZone?

To find out whether or not your business is located within a HUBZone, visit <http://map.sba.gov/hubzone/>

SBA certifies firms for eligibility to receive HUBZone contracts and maintains a listing of qualified HUBZone small businesses that federal agencies can

use to locate prospective vendors.

You can learn more about the HUBZone program and apply electronically on the SBA web site at <http://www.sba.gov/hubzone/>

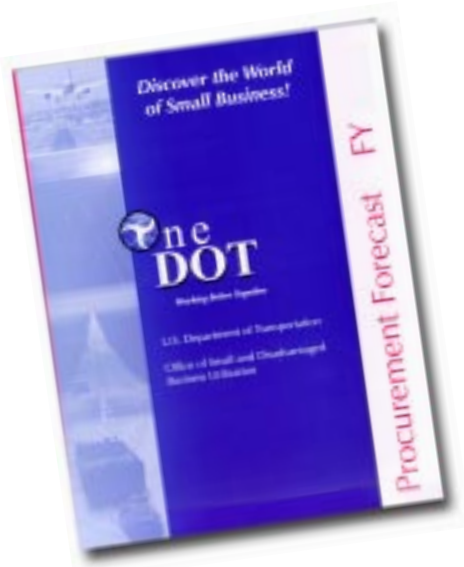
The Department of Transportation (DOT) and other federal agencies want to do business with small and disadvantaged firms and they use various certifications to identify these firms. While it takes some effort on your part to apply for these certifications, the benefits can be significant.

You should also remember that there are other programs implemented by the federal government that still rely on self certification. For example, the DOT strongly recommends that all small businesses register in the SBA ProNet database. By doing so, firms declare that they are small businesses and they are looking for procurement opportunities. This searchable database is used extensively within the government and private sectors to access small businesses.

You can learn more about ProNet and register on line at <http://pro-net.sba.gov>

PROGRAM	Administrating Entity	Website	Phone Number
Disadvantaged Business Enterprise (DBE)	DOT Funding Recipients (i.e. state & local transportation agencies)	<a href="http://osdbuweb.dot.gov/programs/dbe/dbe.htm">http://osdbuweb.dot.gov/programs/dbe/dbe.htm</a>	1 (800) 532-1169
Small Disadvantaged Business (SDB)	SBA	<a href="http://www.sba.gov/sdb">http://www.sba.gov/sdb</a>	1 (800) 558-0884
HUBZone	SBA	<a href="http://www.sba.gov/hubzone/">http://www.sba.gov/hubzone/</a>	1 (800) 558-0884
8(a)	SBA	<a href="http://www.sba.gov/med/">http://www.sba.gov/med/</a>	1 (800) 558-0884
Very Small Business (VSB) Set-Aside Pilot Program	SBA	<a href="http://www.sba.gov/GC/vsbqa.html">http://www.sba.gov/GC/vsbqa.html</a>	1 (800) 558-0884





## DOT's FY2000 Procurement Forecast Available October 1

The U.S. Department of Transportation's (DOT) Office of Small and Disadvantaged Business Utilization (OSDBU) is currently collecting data for DOT's *Fiscal Year 2000 Procurement Forecast*.

Contracting opportunities projected for the next fiscal year are being collected from DOT's Operating Administrations for publication in DOT's annual Procurement Forecast.

This valuable document will be posted on the OSDBU web site at <http://osdbuweb.dot.gov/consolic.htm> on October 1 in a user friendly, searchable format. The print and Fax On-Demand versions will be available shortly thereafter. Be sure to take advantage of this valuable marketing tool for small businesses!

For more information, contact Roland Zebina at (800) 532-1169 or e-mail [rzebina@basetech.com](mailto:rzebina@basetech.com).

## Jumpstart into the Year 2000

The National Institute of Standards and Technology (NIST) in the U.S. Department of Commerce has a *Y2K Help Center for Small Business* web site that provides Year 2000 resources designed specifically for small businesses at <http://y2khelp.nist.gov>

The Conversion 2000: Y2K Jumpstart Kit, is a comprehensive tool that can help small businesses:

- Conduct an inventory of equipment, including hardware, software and embedded systems;
- Identify core business systems and rate their importance to the survival of the business;
- Develop contingency plans, and
- Plan and manage remediation projects.

The Jumpstart Kit can be downloaded from this web site in eleven different languages.

Sources of Y2K Compliance Information can be accessed including equipment manufacturers' and vendors' web sites, telephone numbers, and databases that contain product Y2K compliance information.

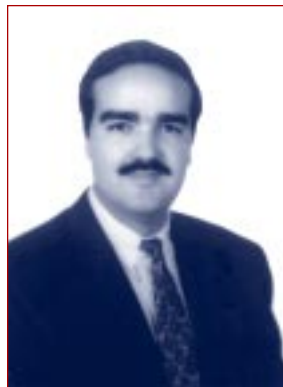
Y2K Workshops offered include no-nonsense action planning, assessment, and remediation project planning to help small businesses prepare for Y2K.

### Are you Y2K OK?

<http://y2khelp.nist.gov>

**NIST Y2K WEB SITE**

## Congratulations!



**Enrique Carrillo, Director  
of the Regions III and IV  
Liaison Outreach  
Services Program (LOSP)**

Enrique Carrillo, Director of the Regions III and IV Liaison Outreach Services Program (LOSP), has been selected as the recipient of the Minority Business Advocate of the Year Award from the U.S. Department of Commerce, Minority Business Development Agency, Atlanta Region, during Minority Enterprise Development (MED) Week '99.

For more information, contact Mr. Carrillo at (800) 448-2585 or by e-mail [atusdot@emservices.com](mailto:atusdot@emservices.com). The Region III and IV LOSP web site can be viewed at <http://emservices.com/usdot>

To learn about the nationwide LOSP, visit <http://osdbuweb.dot.gov/MP/mktpkg2.htm>





## Alltech Int'l Provides 'Dream' Staffing Solutions That Work

**O**riginally from Cochabamba, Bolivia — an agricultural region high in the Andes Mountains, Martha Beltran — the Federal Railroad Administration's (FRA) Minority Business of the Year winner has come a long way.



**Martha Beltran**

"The greatest thing about this country is you can have dreams, and if you work hard, and persevere you can make those dreams come true," says small business owner Martha Beltran. Beltran owns and operates Alltech Int'l — an IT solutions & staffing firm headquartered in Tysons Corner, Virginia. Alltech specializes in high tech solutions for Amtrak among others.

"It has to be a realistic dream that you're willing to sacrifice for, willing to work for, and willing to roll up your sleeves and do whatever it takes."

What it took was seven-day, 80-hour workweeks in office space she rented from her accountant, and a small professional staff that spent all of its energy delivering a top quality work product. Beltran sees the key to any companies' success as its ability to hire the right quality people and then manage them to excel.

Integral to Alltech's success is their TQM (Total Quality Management) program that is used in the staffing and in their projects' performance period. And of course, "It takes hard work," she says with a trace of her Spanish accent still intact.

Beltran's company hit the ground running in 1993, generating nearly \$1 million in sales in its first full year of operation. This year, Alltech's total rev-

**"... if you work hard, and persevere you can make those dreams come true."**

**— Martha Beltran**

enues are projected to come in at just under \$5 million generated by a staff of approximately 50 people.

Alltech's transportation-oriented work for the FRA includes software engineering and project administration to support Amtrak's *Information Technology Service Center*. Alltech provides a vast array of IT services, including ERP implementation, Data Warehousing EIS, Client/Server application Development, NT & UNIX infrastructure support and Database DBA services.

The Company has established a commendable history with Amtrak's Operations Directors for exceeding performance expectations and consistently providing the Service Center's best-qualified and most skilled staff members. This helps explain Alltech's 53 percent annual growth rate over the last four years.

"They're *GREAT*," exclaims Ann Wish, an Amtrak Contracting Office who appreciates the personal touches Alltech adds to their business dealings.

"If I have a technical question about the project — they respond immediately. They're flexible, helpful, and they even send me *IT* magazine articles!"

"We want to be the 'Go to' people to help our clients be successful.

"It may sound like a cliché, but when our client wins, we win," says Dan Krevere, Alltech's energetic Vice President and Ms. Beltran's husband of 30 years.

One explanation for Alltech's unblemished performance record is senior

management's proactive communication style. They stay in constant contact with their customers and their employees—even if it's just to talk. This approach serves to head off any potential trouble before it has a chance to crystallize. "In high-tech industries like ours, building trusting relationships become even more important," says Krevere.

The company's credo *The QUALITY of the PEOPLE determines the SUCCESS of the organization* is the stated focus and foundation for Alltech's achievements.

In addition to Alltech's work in the Transportation arena, they administer contracts with Treasury, Census, Army National Guard and are acting as team members for Litton/PRC, PricewaterhouseCoopers, and Lockheed Martin Mission Systems.

Recently Alltech was awarded a GSA Contract for IT Services.

"We made an investment in obtaining a GSA Schedule because our clients wanted a competitive and convenient vehicle to access our services," says Beltran.

The rigorous GSA contracting process and in-depth referencing assures potential clients that the use of Alltech's methods will result in success.

"In the end, we want our clients to feel secure that Alltech is the correct choice."

In recommending them to FRA for a MED Week Award, Amtrak spoke loud and clear on just that subject.

*For more information on Alltech International, call (703) 506-1222 x:11 or email: DAK@alltech.net You can view their website at: [www.alltech.net](http://www.alltech.net)*





## EC Express



### The Electronic Posting System (EPS)

**O**n October 1, 1999, EPS will become the single point of entry for access to DOT procurement opportunities posted on the web.

As discussed in the April *Transportation Link*, (<http://osdbuweb.dot.gov/translink/apr99/index1.htm#TOC1>) EPS is a web-based system for posting solicitations and other procurement-related documents to the Internet.

DOT has been participating as a pilot agency in the program along with other federal agencies. Vendors can currently search the requirements for all participating agencies at <http://eps.gov/>.

The system also has e-mail registration that allows vendors to register to receive e-mail notification of information regarding specific types of solicitations.

### Acquisition Reform Network (ARNet)

ARNet is the official Federal procurement information website. Accessed on <http://www.arnet.gov>, ARNet provides links to agency procurement regulations, business opportunities, the Federal Acquisition Regulation (FAR), and other links for nearly every phase of the procurement cycle.

ARNet is currently being redesigned to better serve the needs of its government and commercial customers and will debut in early fall.

## Survey Says ...

**I**n the June edition of the *Transportation Link*, we included a customer service feedback questionnaire. We are grateful to all of our customers who took the time to fill it out and share their thoughts with us.

The results can be broken into five categories:

### Communication With the National Information Clearinghouse (NIC)

Customers hear about the NIC from a variety of sources. Ninety-six percent (96%) of the respondents who have contacted the NIC were pleased with the service they received.

### Use of Electronic Media

Ninety percent (90%) of the respondents who use our electronic media (web site and Fax On-Demand System) were please with the results. Approximately twice as many customers used the web site as the Fax On-Demand system.

### Communication With the OSDBU Business Specialist

Eighty-eight percent (88%) of the respondents who communicated with one of OSDBU's small business specialists were pleased with the service they received.

### Experience With Our Written Materials

Eighty-seven percent (87%) of the respondents were pleased with the written materials including the *Transportation Link* newsletter, *Marketing Information Package*, *Procurement Forecast*, and others. The newsletter got the highest ratings.

### Prime or Subcontract Awards

This year we asked whether the information we provide assisted your firm to win a prime or subcontract award at the federal, state or local level. Of the respondents that this question pertained to...seventy-nine percent (79%) answered yes. We were very pleased with those results.

Thank you for taking the time to provide your feedback. We will use this information to serve you better.



## Y2K Act Establishes 'Liaison'

**I**n compliance with the Y2K Act, the Department of Transportation has established a liaison between the agency and the small business community regarding Y2K (Year 2000) failures, and compliance with federal rules and regulations. OSDBU's Gerardo Franco has been selected as the Departmental Liaison under the Act.

Among other things, this law requires executive agencies to waive, under certain conditions, civil penalties for a violation of any federal rule caused by a Y2K failure that the small business tried in good faith to address.

This waiver authority expires after December 31, 2000.

More information about Y2K and a list of DOT agencies' small business liaison officers may be obtained through the DOT Office of Small and Disadvantaged Business Utilization web site at: <http://osdbuweb.dot.gov>

For more information contact Gerardo Franco by phone at (800) 532-1169 ext. 65334 or by email at [Jerry.Franco@ost.dot.gov](mailto:Jerry.Franco@ost.dot.gov).



**Gerardo Franco**





## Hispanic Business Resources



The Office of Small and Disadvantaged Business Utilization Related Links page includes a section on Hispanic Business resources with hyperlinks to the:

- Congressional Hispanic Caucus;
- Hispanic Association of Colleges and Universities (HACU);
- Hispanic Chamber of Commerce;
- Latin America's Professional Network, and others.

These valuable resources can be accessed at <http://osdbuweb.dot.gov/related.htm>

## CALENDAR OF EVENTS FOR September / October 1999

Date	Place	Contact
September 13	Annual New England Minority Enterprise Development Celebration Sponsored by Dept. of Commerce Boston, MA	R.K. Schwartz (617) 565-6850
September 15-18	Congressional Black Caucus Convention Center Washington, DC	LaWand Kerns (202) 675-6744
September 19-22	MED Week '99 Conference Sponsored by Dept. of Commerce and MBDA Washington, DC	Linda Richardson (202) 482-1029
September 24	ITS America's Symposium On the ITS Market Arlington, VA	Katrina Mayo (202) 484-4549
October 28	DOT MED Week Award Ceremony	Brenda Preston 1-800-532-1169 ext. 66397

*You can view a schedule of Y2K Educational Events offered by the Small Business Administration (SBA), Department of Commerce, National Institute of Standards and Technology (NIST), Department of Agriculture, and other agencies and organizations at <http://www.sba.gov/y2k/y2kcalendar.html> or call SBA at 1-800-U-ASK-SBA.*

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